



Local Businesses Are Likely Neighborhood Networks Supporters

Successful Neighborhood Networks centers rely on a variety of funding sources to underwrite costs related to programs, services, and other expenses.

One of the most important funding sources could be right next door—local businesses. Drawing support from local businesses is crucial for Neighborhood Networks centers because they provide a significant and highly flexible resource.

Local businesses benefit from supporting centers as well. Smart local businesspeople know the value of investing in their community. Benefits to businesses include enhancing their image, generating good customer relationships and helping to build a stronger, more viable community.

Some businesses are likely supporters

Any business in the community is a potential resource for support. However, when seeking support from a business, it is best to make a direct appeal to a specific individual who has decision-making authority. For this reason, Neighborhood Networks center staff may find that locally owned businesses are easier to approach for funding than national businesses with a local branch.

It is important to know who owns a business when asking for help. An owner who lives in

the same community as a Neighborhood Networks center may be more likely to support a center than a remote owner. Since franchise and family businesses tend to be locally owned, they are generally a better resource for Neighborhood Networks centers than national businesses.

Local businesses can fund a Neighborhood Networks center

Local businesses can help Neighborhood Networks centers in several ways. They can provide:

- Cash support.
- Noncash or in-kind resources, such as materials, equipment, and volunteers.

Local businesses also plan and budget for community activities. Many businesses encourage employees to spend a day, with full pay, working with community organizations. As a result, community organizations like Neighborhood Networks centers receive materials, equipment, and thousands of hours of no-cost help to make their programs a success.

Local business involvement in your Neighborhood Networks center can grow by following the steps outlined here. The time you spend educating local business about the benefits of Neighborhood Networks programs is an investment in securing long-term financial support.

Additional options are available to Neighborhood Networks centers that have

Neighborhood Networks Facts

WHAT: Neighborhood Networks is a community-based program launched by HUD's Office of Multifamily Housing Programs in September 1995 that encourages the development of resource and community technology centers in HUD insured and assisted housing.

- More than 800 centers in operation*
- Thousands of business, community and government partners
- More than 600 properties with centers in planning*

WHO: Serves HUD insured and assisted housing residents, owners, managers, partners and communities.

*as of 4/02

501(c)(3) status, including tax deductions for donors and tax exemption for the incorporated nonprofit organization. Call the Neighborhood Networks Information Center at (888) 312-2743 for additional information or to learn how to obtain 501(c)(3) status.

How to approach a local business

After learning about all the different ways local businesses can help Neighborhood Networks centers, begin to prepare for building a relationship with businesses. Use these steps below before approaching local businesses.

Examine and prioritize needs. Examine your Neighborhood Networks program; make a list of materials, equipment, and cash needs; then prioritize your needs list. Donors want to respond to your most urgent need. A priority list will also help you to decide the best organization to approach first. Local businesses that deal in needed equipment and materials are a natural place to start.

Conduct research. Find out which local businesses have been helping other community organizations. Those who gave before are likely to give again.

Canvass your staff, board, residents, friends, community leaders, church leaders, politicians, and previous donors for names of local business owners and leaders. An introduction is usually more successful than a cold call.

Join up and show up. Join a membership organization of community nonprofits. Ask about successful local business partnerships to enhance resources. Join the local chamber of commerce. Nonprofit memberships are sometimes free and always a good investment. Sign up for nonprofit working groups. Business leaders self-select for interest in community organizations and are an excellent source of leads. Go to business mixers. Local businesspeople go to these events all the time to meet new people and learn about new projects, like Neighborhood Networks centers.

Be patient. Don't ask for money too early in a relationship with a local business. Businesspeople are often asked for money and may be uncooperative if approached for cash assistance too soon. You want to build a relationship, so plan on investing time. Start off by asking for volunteer time, materials and equipment to cultivate your relationship with a local business.

Valuable sources of information

To improve the quality and number of local business contacts you have available for fundraising, try the following strategies.

Contact the local chambers of commerce listed in the telephone directory. Look for more than one listing, because several chambers may serve the same area. For example, Hispanic and Asian chambers of commerce may exist along with other chambers. Ask the chambers of commerce for directories of members (usually free). There, businesses are listed according to the service or product provided. This is a good lead for those businesses dealing in resources you may need. Also, ask for a schedule of events. You will want to join the nonprofit working group and attend mixers, as discussed above.

Contact local associations of nonprofits with interests similar to your own. For example, housing, technology, senior, and other interest groups may have associations near you. Your Neighborhood Networks center will benefit from joining those associations and learning more about the local business community.

Use the Internet. Many good search tools exist to help identify local business resources. For example, www.google.com is a very useful search engine. At the "search" prompt, enter your city, state, and other information specific to your search target. If too many listings are presented, add words to the prompt until the list is manageable. The Internet is also a good place to learn more about a potential business resource and its organizational structure.

For more information, contact:

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Visit our Web site at www.NeighborhoodNetworks.org

